

POSEIDONNICKEL

Notice of 2018 Annual General Meeting

ACTIONS TO BE TAKEN BY SHAREHOLDERS

The 2018 Annual General Meeting of the Shareholders to which this Notice of Meeting relates will be held

On: Thursday, 22 November 2018

At: 11.00am (AWT)

At: KPMG

Boardroom 1
Level 8
235 St Georges Terrace
PERTH WA 6000

Your vote is important

The business of the Annual General Meeting affects your shareholding and your vote is important.

Eligibility to attend and vote

The Directors have determined pursuant to Regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the Annual General Meeting are those who are registered Shareholders at 5.00pm (AWST) on Tuesday, 22 November 2018.

Last date to submit Proxy Form

Your completed Proxy Form must be received by the Company no later than 11.00am (AWT) on **Tuesday, 20 November 2018**. Please complete and sign the enclosed Proxy Form, returning:

- | | |
|-------------------------|--|
| Online at | www.investorvote.com.au |
| By mail | Computershare Investor Services Pty Limited, GPO Box 242, Melbourne Victoria 3001 |
| By fax | 1800 783 447 (within Australia)
+61 3 9473 2555 (outside Australia) |
| By mobile | Scan the QR Code on your proxy form and follow the prompts |
| Custodian Voting | Intermediary Online subscribers only (custodians) please visit www.intermediaryonline.com to submit your voting intentions |

Proxy Forms received after Tuesday, 20 November 2018 will be invalid.

Appointing a proxy

You can appoint a proxy to attend and vote on your behalf as an alternative to attending the meeting in person or casting a direct vote.

To appoint a proxy, please write the name of the appointed proxy in the box on the proxy form denoted by Ω. You can direct your proxy how to vote on Items 1 to 8 by marking "For", "Against" or "Abstain".

A proxy does not need to be a shareholder of the Company. A proxy may be an individual or a company. You may appoint up to two proxies. If you appoint two proxies, you should complete two separate Proxy Forms and specify the percentage or number of votes each proxy is appointed to exercise. If you do not specify a percentage or number, each proxy may exercise half of the votes. You must return both Proxy Forms together. If you require additional Proxy Forms, please contact the Company Secretary on +61 (8) 435 905 770.

If you sign the enclosed Proxy Form, and mark the box against the Chairman, the Chairman will be appointed as your proxy. The Chairman currently intends to vote undirected proxies on, and in favour of, all proposed resolutions.

If you appoint a proxy, you may still attend the meeting. However, your proxy's right to vote and speak will be suspended while you are present.

Attending the meeting in person

Eligible shareholders may attend the meeting and vote in person.

If you intend to attend the meeting in person, you do not need to submit a Proxy Form.

You may still attend the meeting and vote in person even if you have appointed a proxy. If you have previously submitted a Proxy Form, your attendance will suspend your proxy appointment while you are present at the meeting.

Please bring your Proxy Form with you as it will help you to register your attendance at the meeting. If you do not bring your Proxy Form with you, you can still attend the Meeting, the Company will need to verify your identity. Please arrive 20 minutes prior to the start of the Annual General Meeting on the date and at the venue set out above.

Voting by Corporate Representative

A shareholder that is a corporation may appoint an individual to act as its representative to vote at the meeting in accordance with section 250D of the Corporations Act 2001 (Cth) (Corporations Act). The representative should bring to the meeting evidence of his or her appointment, including any authority under which the appointment is signed. The appropriate "Appointment of Corporate Representative" form should be completed and produced prior to admission to the meeting. This form may be obtained from the Company's share registry.

Impact of your proxy appointment on your voting instructions

If you appoint the Chairman as your proxy and have not directed him how to vote, you are authorising the Chairman to cast your undirected vote on all proposed resolutions in accordance with his intentions set out below.

If you appoint any other member of the Board of directors, a member of senior management who is named in the remuneration report (KMP) or their closely related parties as your proxy, they will not be able to vote your proxy on the Remuneration report unless you have directed them how to vote.

"Closely related party" is defined in the Corporations Act and includes a spouse, dependant and certain other close family members, as well as any companies controlled by a KMP.

If you intend to appoint a KMP or the Chairman as your proxy, you are encouraged to direct them how to vote by marking "For", "Against" or "Abstain" for each of those items of business.

The Chairman's voting intentions

The Chairman intends to vote undirected proxies on, and in favour of, all the proposed resolutions. If there is a change to how the Chairman intends to vote undirected proxies, Poseidon will make an announcement to the market.

The Chairman's decision on the validity of a vote cast by a proxy or vote cast in person, is conclusive.

BUSINESS OF THE 2018 ANNUAL GENERAL MEETING

2018 Annual Report

To table and consider the Annual Reports of the Company and its controlled entities for the 12 months ended 30 June 2018 together with the Declarations of the Directors, the Directors' Report, the Remuneration Report and the Audit Reports.

NON-BINDING Resolution

Resolution 1 – 2018 Directors' Remuneration Report

To consider and, if thought fit, to pass, with or without amendment, the following resolution as a **non-binding resolution**:

“That, for the purpose of Section 250R (2) of the Corporations Act and for all other purposes, the Remuneration Report of the Directors for the financial year ended 30 June 2018 be adopted.”

Voting Exclusion Statement

In accordance with Section 250R of the Corporations Act, the Company will disregard any vote cast on Resolution 1 by, or on behalf of, a member of the Key Management Personnel whose remuneration details are included in the Remuneration Report, or a Closely Related Party of such member.

However, the Company need not disregard a vote if:

- (a) it is cast by a person as a proxy appointed by writing that specifies how the proxy is to vote on the proposed Resolution or the proxy is the Chair of the Meeting and the appointment of the Chair as proxy does not specify the way the proxy is to vote on the resolution and expressly authorises the Chair to exercise the proxy even if the resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel; and*
- (b) it is not cast on behalf of a member of the Key Management Personnel whose remuneration details are included in the Remuneration Report, or their Closely Related Parties.*

Further, a Restricted Voter who is appointed as a proxy will not vote on Resolution 1 unless:

- (a) the appointment specifies the way the proxy is to vote on Resolution 1; or*
- (b) the proxy is the Chair of the Meeting and the appointment expressly authorises the Chair to exercise the proxy even though the Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel. Shareholders should note that the Chair intends to vote any undirected proxies in favour of Resolution 1. In exceptional circumstances, the Chair of the Meeting may change their voting intention on Resolution 1, in which case an ASX announcement will be made.*

Shareholders may also choose to direct the Chair to vote against Resolution 1 or to abstain from voting. If you purport to cast a vote other than as permitted above, that vote will be disregarded by the Company (as indicated above) and you may be liable for breaching the voting restrictions that apply to you under the Corporations Act.

ORDINARY Resolutions

Resolution 2 - Re-Election of Director | Mr Geoffrey Brayshaw

To consider and, if thought fit, to pass with or without amendments, the following resolutions as an **ordinary resolution**:

“That, for the purpose of clause 13.2 of the Company’s Constitution and for all other purposes, Mr Geoff Brayshaw retires by rotation and being eligible, is re-elected as a Director.”

Resolution 3 - Election of Director | Mr Karl Paganin

To consider and, if thought fit, to pass with or without amendments, the following resolutions as an **ordinary resolution**:

“That, for the purpose of clause 13.4 of the Company’s Constitution and for all other purposes, Mr Karl Paganin, a Non-Executive Director, appointed on 01 October 2018, as an addition to the Board and being eligible for election, offers himself for election as a Director.”

Resolution 3(a) - Election of Director | Ms Felicity Gooding

To consider and, if thought fit, to pass with or without amendments, the following resolutions as an **ordinary resolution**:

“That, for the purpose of clause 13.4 of the Company’s Constitution and for all other purposes, Ms Felicity Gooding, a Non-Executive Director, appointed on 01 October 2018, as an addition to the Board and being eligible for election, offers himself for election as a Director.”

Resolution 4 - Ratification and approval of prior issue of 19,434,971 Shares to Jefferies LLC under ASX Listing Rule 7.1

To consider, and if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

“That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, Shareholders approve the previous issue of 19,434,971 Shares in the capital of the Company to Jefferies LLC as described in the Explanatory Memorandum”.

Voting Exclusion Statement

The Company will disregard any votes cast in favour of this Resolution by or on behalf of Jefferies LLC who participated in the issue, or an associate of Jefferies LLC. However, the Company will not disregard a vote if it is cast by (a) a person as proxy for a person who is entitled to vote, in accordance with directions on the Proxy Form; or (b) the person chairing the Meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

Resolution 4(a) - Ratification and approval of prior issue of 10,055,053 Shares to Jefferies LLC under ASX Listing Rule 7.1A

To consider, and if thought fit, to pass with or without amendment, the following resolution as an **ordinary resolution**:

“That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, Shareholders approve the previous issue of 10,055,053 Shares in the capital of the Company to Jefferies LLC, as described in the Explanatory Memorandum”

Voting Exclusion Statement

The Company will disregard any votes cast in favour of this Resolution by or on behalf of Jefferies LLC who participated in the issue, or an associate of Jefferies LLC. However, the Company will not disregard a vote if it is cast by (a) a person as proxy for a person who is entitled to vote, in accordance with directions on the Proxy Form; or (b) the person chairing the Meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

Resolution 5 - Ratification and approval of prior issue of 60,000,000 Shares to Pershing Australia Nominees Pty Ltd under ASX Listing Rule 7.1

To consider, and if thought fit, to pass with or without amendment, the following resolution as an **ordinary resolution**:

“That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, Shareholders approve the previous issue of 60,000,000 Shares in the capital of the Company to professional and sophisticated investor clients of Pershing Australia Nominees Pty Ltd, as described in the Explanatory Memorandum”

Voting Exclusion Statement

The Company will disregard any votes cast in favour of this Resolution by or on behalf of a person who participated in the issue, or an associate(s) of that person. However, the Company will not disregard a vote if it is cast by (a) a person as proxy for a person who is entitled to vote, in accordance with directions on the Proxy Form; or (b) the person chairing the Meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

Resolution 5(a) - Ratification and approval of prior issue of 40,000,000 Shares to Pershing Australia Nominees Pty Ltd under ASX Listing Rule 7.1A

To consider, and if thought fit, to pass with or without amendment, the following resolution as an **ordinary resolution**:

“That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, Shareholders approve the previous issue of 40,000,000 Shares in the capital of the Company to professional and sophisticated investor clients of Pershing Australia Nominees Pty Ltd, as described in the Explanatory Memorandum”

Voting Exclusion Statement

The Company will disregard any votes cast in favour of this Resolution by or on behalf of a person who participated in the issue, or an associate(s) of that person. However, the Company will not disregard a vote if it is cast by (a) a person as proxy for a person who is entitled to vote, in accordance with directions on the Proxy Form; or (b) the person chairing the Meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

Resolution 6 - Ratification and approval of prior issue of 68,325,700 Shares to Professional and Sophisticated Investors under ASX Listing Rule 7.1

To consider, and if thought fit, to pass with or without amendment, the following resolution as an **ordinary resolution**:

“That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, Shareholders approve the previous issue of 68,325,700 Shares in the capital of the Company to professional and sophisticated investors, as described in the Explanatory Memorandum”

Voting Exclusion Statement

The Company will disregard any votes cast in favour of this Resolution by or on behalf of a person who participated in the issue, or an associate(s) of that person. However, the Company will not disregard a vote if it is cast by (a) a person as proxy for a person who is entitled to vote, in accordance with directions on the Proxy Form; or (b) the person chairing the Meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

Resolution 6(a) - Ratification and approval of prior issue of 48,451,300 Shares to Professional and Sophisticated Investors under ASX Listing Rule 7.1A

To consider, and if thought fit, to pass with or without amendment, the following resolution as an **ordinary resolution**:

“That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, Shareholders approve the previous issue of 48,451,300 Shares in the capital of the Company to professional and sophisticated investors, as described in the Explanatory Memorandum”

Voting Exclusion Statement

The Company will disregard any votes cast in favour of this Resolution by or on behalf of a person who participated in the issue, or an associate(s) of that person. However, the Company will not disregard a vote if it is cast by (a) a person as proxy for a person who is entitled to vote, in accordance with directions on the Proxy Form; or (b) the person chairing the Meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

Contingent Resolution

Resolution 7 – Spill Resolution

Resolution 7 is a conditional resolution. The resolution is conditional on at least 25% of the votes cast on Resolution 1, 2018 Directors’ Remuneration Report being cast against the adoption of the Directors’ Remuneration Report.

If required:

To consider in accordance with section 250V of the Corporations Act, and if thought fit, pass with or without amendment, the following resolution as an **ordinary resolution**:

“That, subject to and conditional on at least 25% of the votes cast in respect of Resolution 1 (2018 Directors’ Remuneration Report) being cast against the adoption of the 2018 Directors’ Remuneration Report

- (a) *an extraordinary general meeting of shareholders (**Spill Meeting**) be held within 90 days of the passing of this Resolution;*
- (b) *all the Directors (excluding Robert Dennis as Managing Director and CEO) that hold office following this Annual General Meeting, being Geoff Brayshaw**, Karl Paganin** and Felicity Gooding** and who remain in office at the time of the Spill Meeting, cease to hold office immediately before the end of the Spill Meeting; and*
- (c) *resolutions to appoint persons to offices that will be vacated immediately before the end of the Spill Meeting be put to the vote at the Spill Meeting.”*

** This assumes that Mr Geoff Brayshaw is re-elected as a director under Resolution 2; and That Mr Karl Paganin and Ms Felicity Gooding are elected as directors under Resolution 3 and 3(a) respectively.

Voting Exclusion Statement

The Company will disregard any vote cast on Resolution 10 by, or on behalf of, a member of the Key Management Personnel whose remuneration details are included in the Remuneration Report, or a Closely Related Party of such member.

However, the Company need not disregard a vote if:

- (c) *it is cast by a person as a proxy appointed by writing that specifies how the proxy is to vote on the proposed Resolution or the proxy is the Chair of the Meeting and the appointment of the Chair as proxy does not specify the way the proxy is to vote on the resolution and expressly authorises the Chair to exercise the proxy even if the resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel; and*
- (d) *it is not cast on behalf of a member of the Key Management Personnel whose remuneration details are included in the Remuneration Report, or their Closely Related Parties.*

Further, a Restricted Voter who is appointed as a proxy will not vote on Resolution 10 unless:

- (c) *the appointment specifies the way the proxy is to vote on Resolution 10; or*

- (d) *the proxy is the Chair of the Meeting and the appointment expressly authorises the Chair to exercise the proxy even though the Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel. Shareholders should note that the Chair intends to vote any undirected proxies in favour of Resolution 10. In exceptional circumstances, the Chair of the Meeting may change their voting intention on Resolution 10, in which case an ASX announcement will be made.*

Shareholders may also choose to direct the Chair to vote against Resolution 10 or to abstain from voting. If you purport to cast a vote other than as permitted above, that vote will be disregarded by the Company (as indicated above) and you may be liable for breaching the voting restrictions that apply to you under the Corporations Act.

SPECIAL Resolution

Resolution 8 - Approval of 10% Placement Capacity

To consider, and if thought fit, to pass with or without amendment, the following resolution as a **special resolution**:

“That, approval is provided for the Company to have the additional capacity (up to a further 10%) to issue Equity Securities under ASX Listing Rule 7.1A, for the period specified in Listing Rule 7.1A.1 and in accordance with the formula prescribed in Listing Rule 7.1A.2.”

VOTING EXCLUSION STATEMENT: The Company will disregard any votes cast on this Resolution by any person (and any associates of such a person) who may participate in the 10% Placement Capacity and a person who may obtain a benefit, except a benefit solely in the capacity of a holder of Shares, if this Resolution is passed. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

By Order of the Board

Eryn Kestel
Company Secretary
XX October 2018

EXPLANATORY MEMORANDUM

This Explanatory Memorandum has been prepared to provide Shareholders with material information known to the Directors to enable them to decide whether to pass the Resolutions the subject of the business of the Annual General Meeting of the Company, to be convened for Thursday, 22 November 2018 commencing at 11.00am (WST).

2018 ANNUAL REPORT

In accordance with the Company's Constitution and Section 317 of the Corporations Act, the 2018 Annual Report is to be tabled at this Annual General Meeting.

There is no statutory requirement for Shareholders to approve the Company's Annual Report; it is placed before Shareholders for discussion.

Representatives from the Company's Auditors, KPMG, will be present at the Annual General Meeting to respond to Shareholders' questions and comments about the conduct of the audit, the preparation and content of the Audit Report.

Shareholders present at the Annual General Meeting will be provided with the opportunity to ask questions of the Directors' present about the management of the Company and the content of the Remuneration Report.

Shareholders who are unable to attend the Annual General Meeting can submit written questions under Section 250PA of the Corporations Act in relation to:

- (a) The preparation and the content of the 2018 Auditor's Report;
- (b) The conduct of the 2018 audit;
- (c) Accounting policies adopted by the Company in relation to the preparation of the 2018 financial statements; and
- (d) The independence of the Auditor in relation to the conduct of the 2018 audit

The questions will need to be submitted no later than five (5) business days before the Annual General Meeting to the Company Secretary.

Annual Report Online

Shareholders who have not elected to receive a hard copy of the Annual Report can access the report on the Company's website at <http://www.poseidon-nickel.com.au/>

Resolution 1: 2018 Directors' Remuneration Report

In accordance with Section 250R of the Corporations Act, the Board has submitted the 2018 Remuneration Report (included in the 2018 Annual Report) to Shareholders for consideration and adoption.

The Remuneration Report is set out in the Directors' Report in the 2018 Annual Report and in accordance with Section 300A of the Corporations Act sets out the remuneration policy of the Company and reports the current remuneration arrangements for the Directors and senior management of the Company.

The Directors believe that the Company's remuneration policies and structures as outlined in the Remuneration Report are appropriate for the size of the Company, its business and objectives.

A reasonable opportunity will be provided at the Annual General Meeting for discussion of the Remuneration Report.

This Resolution will be decided as if it were an ordinary (majority) resolution but under section 250R (3) of the Corporations Act the vote does not bind the Directors of Poseidon.

A failure of Shareholders to pass this Resolution will not require the Directors to alter any of the arrangements in the Remuneration Report. However, the Board will consider the outcomes of the votes when considering the future remuneration arrangements of the Company.

Pursuant to the Corporations Act, if at least 25% of the votes cast on Resolution 1 are voted against the adoption of the 2018 Remuneration Report at this Annual General Meeting and because the Company recorded a 1st strike against the 2017 Remuneration Report, the Company will be required to put to Shareholders a resolution proposing the calling of an extraordinary general meeting to consider the appointment of directors of the Company (**Spill Resolution**) – refer Resolution 10 below.

If more than 50% of the Shareholders vote in favour of the Spill Resolution, the Company must convene the extraordinary general meeting (Spill Meeting) within 90 days of the Company's 2018 annual general meeting. All the Directors who were in office when the Company's 2018 Directors Report was approved, other than the managing director of the Company, will cease to hold office immediately before the end of the Spill Meeting but may stand for re-election at the Spill Meeting. Following the Spill Meeting those persons whose election or re-election as Directors is approved will be the Directors of the Company.

Proxy Restrictions

Pursuant to the Corporations Act, if a Shareholder elects the Chairman, a Key Management Personnel or any Closely Related Party as their proxy to vote on Resolution 1, **the Shareholder must be very clear on how they want the proxy to vote and provide the proxy with those specific instructions/directions** - if no directions on how to vote on Resolution 1 is provided, the Chairman, a Key Management Personnel or any Closely Related Party is prevented by the Corporations Act from exercising the undirected vote and the vote will not be counted in relation to Resolution 1.

Recommendation of Board

The Directors abstain, in the interests of corporate governance, from making a recommendation in respect of Resolution 1.

Resolution 2: Re-Election of Director Retiring by rotation

Resolution 2 seeks approval for the re-election of Mr Geoff Brayshaw as a Non-Executive Director with effect after the Annual General Meeting.

In accordance with ASX Listing Rule 14.4 and clause 13.2 of the Company's Constitution, Directors must retire by rotation after the third Annual General Meeting since they were last elected. The Directors to retire at an Annual General Meeting are those that have been longest in office since their last election.

At the 2018 Annual General Meeting, Mr Brayshaw is the Director due to retire by rotation pursuant to the Company's Constitution and the ASX Listing Rules and being eligible is seeking re-election as a Director of the Company

Poseidon Nickel Limited currently has three (3) Non-Executive Directors – Mr Geoff Brayshaw, Mr Karl Paganin and Ms Felicity Gooding and accordingly, one (1) must retire by rotation.

Mr Geoffrey Brayshaw Non-Executive Director

Qualifications

Bachelor of Commerce;
Member of Institute of Chartered Accountants of Australia

Experience and expertise

Mr Brayshaw retires as a Director and being eligible, seeks re-election in accordance with clause 13.2 of the Constitution as a Non-Executive Director.

Mr Brayshaw was formerly an audit partner with a major accounting firm in Perth, having been in practice for some 35 years. He has also held several positions in commerce and professional bodies including national president of the Institute of Chartered Accountants of Australia in 2002.

He was previously an independent Director and Audit Committee Chairman of both Fortescue Metals Group Limited and AVEA Insurance Limited. He was previously a member of the Board of the Small Business Development Corporation.

Recommendation of the Board

The Board (excluding Mr Brayshaw) recommends the re-election of Mr Brayshaw as a Director of the Company.

Resolutions 3 to 3(a) Election of Directors

Resolutions 3 to 3.1 seek approval for the election of Mr Karl Paganin and Ms Felicity Gooding as Non-Executive Directors, with effect at the end of the Annual General Meeting.

Pursuant to section 201H (3) of the Corporations Act, ASX Listing Rule 14.4 and clause 13.4 of the Company's Constitution, a person appointed by the Board as a Director of the Company holds office only until the next Annual General Meeting, at which time the Company must confirm the appointment by resolution.

Messrs Paganin and Gooding were appointed to the Board on 01 October 2018, as additions to the Board following the successful completion of the August 2018 placement and September 2018 entitlement issue.

Messrs Panagin and Gooding retire from the Board and being eligible offer themselves for election.

The skills and experience of Messrs Panagin and Gooding are set out below.

**Mr Karl Paganin
Non-Executive Director****Qualifications**

Bachelor of Law; and
Bachelor of Arts

Experience and expertise

Mr Paganin practised with major national law firms and was then appointed as Senior Legal Counsel at the newly formed family company of the Holmes a Court family, Heytesbury Holdings where he spent 11 years. His roles varied from Senior Legal Counsel to Director of Major Projects, a role which involved having conduct of all major transactions within the Group.

After Heytesbury, he spent 15 years as a senior Investment Banker in Perth. In 2002, he joined the Perth based Euroz Securities and established its Corporate Finance department.

In 2010, he established and was Managing Director of GMP Australia Pty Ltd an affiliate of a Canadian resource specialist Investment bank.

Mr Paganin specialises in transaction structuring, equity capital markets, mergers and acquisitions and providing strategic management advice to listed public companies. He is currently a non-executive director and Chairman of the Remuneration and Nominations Committee of 2 ASX listed companies.

Ms Felicity Gooding
Non-Executive Director

Qualifications

Bachelor of Commerce
 Fellow of the Institute of Chartered Accountants

Experience and expertise

Ms Gooding is the Chief Operating Officer and Chief Financial Officer of the Minderoo Group.

She has more than 15 years' experience specialising in due diligence, mergers and acquisitions, and equity and debt financing across various sectors in Washington DC, Singapore and London.

Ms Gooding has held senior positions at PwC, Diageo Plc and Fortescue Metals Group Ltd where she was instrumental in the raising of more than A\$5 billion for project expansion financing. Prior to joining Minderoo Ms Gooding was an executive at potash development company, Sirius Minerals Plc.

Recommendation of the Board

The Board (excluding Messrs Paganin and Gooding) recommends that Shareholders vote in favour of the election of Mr Karl Paganin and Ms Felicity Gooding as Directors of the Company.

Resolutions 4 to 6(a) – Ratification of prior issue of Shares

1.1 General

During the last 12 months, Poseidon has issued a total of 246,267,024 fully paid Ordinary Shares (**Shares**) in the capital of the Company the subject of Resolutions 4 to 6, without prior Shareholder approval in accordance with ASX Listing Rule 7.1 and 7.1A.

1.2 Listing Rule 7.1 and 7.4

The Board can issue up to 15% of the Company's current issued capital without Shareholder approval during any 12-month period. 147,760,671 Shares, the subject of Resolutions 4, 5 and 6 were issued pursuant to the Company's 15% annual placement capacity under ASX Listing Rule 7.1.

ASX Listing Rule 7.4 enables the Company to ratify an issue of securities made without prior Shareholder approval under Listing Rule 7.1 if:

- (a) the issue of Shares did not breach Listing Rule 7.1; and
- (b) Shareholders subsequently approve the issue of those securities by the Company.

The Company confirms the issue of the Shares the subject of Resolutions 4(a), 5(a) and 6(a) did not at any time breach ASX Listing Rule 7.1 and Shareholder approval is being obtained after the Shares were issued.

1.3 Listing Rule 7.1A and 7.4

ASX Listing Rule 7.1A provides that an Eligible Entity may seek Shareholder approval by way of special resolution at its annual general meeting to allow it to issue Equity Securities up to 10% of its issued capital to be determined in accordance with the formula prescribed in ASX Listing Rule 7.1A.2.

Poseidon, an Eligible Entity obtained approval on the 09 November 2017 at its Annual General Meeting to issue securities up to 10% of its issued capital under Listing Rule 7.1A.

Poseidon has issued a total of 98,506,353 Shares under Listing Rule 7.1A in the last 12 months, the subject of Resolutions 4(a), 5(a) and 6(a).

Ratification of the 247,267,024 Shares under Listing Rule 7.4, is to deem that the Shares have been issued with Shareholder approval, meaning that, from the date of this approval, being the 22 November 2018, the base figure which the Company's 15% and 10% annual placement

capacities are calculated with be increased by 247,267,024 Shares which in turn allows a proportionately higher number of securities to be issued without prior Shareholder approval.

If Resolutions 4 to 6(a) are not approved, the Placements will remain valid and effective, however, without ratification, the Company will be restricted in its ability to issue Shares without shareholder approval during the next 12-month period. Poseidon is likely to issue further Shares within the next 12 months and so the Company seeks ratification of these Share issues under the Placements to provide future flexibility to place Shares.

Resolutions 4 and 4(a) - Ratification and approval of prior issue of 29,490,024 Shares to Jefferies LLC

In accordance with the terms and conditions of the Convertible Note Deed with Jefferies LLC, interest is payable on the Convertible Notes at 5% per annum quarterly in arrears which can be paid in cash or through the issue of Shares in the capital of the Company.

Poseidon in consultation and agreement with Jefferies LLC resolved to satisfy the September 2017, December 2017, March and June 2018 quarter interest payments through the issue of Shares, thereby preserving the Company's cash balances.

Resolution 4 – ASX Listing Rule 7.1

19,434,971 Shares were issued by Poseidon utilising the Company's 15% annual placement capacity under Listing Rule 7.1 in payment of the December, March and June quarters interest owed to Jefferies LLC.

A summary of ASX Listing Rules 7.1 and 7.4 is set out in Section 1.2.

Resolution 4(a) – ASX Listing Rule 7.1A

As at 22 August 2017, Poseidon had exhausted its 15% annual placement capacity, this placement capacity was subject to being replenished at the November 2017 Annual General Meeting and with the requirement to pay the September 2017 convertible note interest in early October 2017, the Board resolved to utilise the 10% placement capacity to settle the September 2017 quarter interest payment.

A summary of ASX Listing Rules 7.1A and 7.4 is set out in Section 1.3.

The Company now seeks ratification by Shareholders of the grant of 29,490,024 Shares to Jefferies LLC, which have already been issued pursuant to ASX Listing Rule 7.4.

Information required by ASX Listing Rule 7.4

In compliance with the information requirements of ASX Listing Rule 7.5, Shareholders are advised of the following on the issue.

No. of Securities Issued:

- (A)** 5,424,841 Shares in payment of the December 2017 quarter convertible note interest were issued pursuant to ASX Listing Rule 7.1;
- (B)** 6,821,682 Shares in payment of March 2018 quarter convertible note interest were issued pursuant to ASX Listing Rule 7.1;
- (C)** 7,188,448 Shares in payment of June 2018 quarter convertible note interest were issued pursuant to ASX Listing Rule 7.1; and
- (D)** 10,055,053 Shares in payment of the September 2017 quarter convertible note interest were issued pursuant to ASX Listing Rule 7.1A

Issue Price:

- (A)** Deemed issue price of \$0.0472 being the five (5) day VWAP to and including 31 December 2017. Total interest payable of A\$256,052;

- (B) Deemed issue price of \$0.0370 being the five (5) day VWAP to and including 31 March 2018. Total interest payable of A\$252,402;
- (C) Deemed issue price of \$0.0370 being the five (5) day VWAP to and including 30 June 2018. Total interest payable of A\$265,973; and
- (D) Deemed issue price of \$0.0251 being the five (5) day VWAP to and including 30 September 2017. Total interest payable of A\$252,382.

Issue Date:

- (A) 02 January 2018;
- (B) 03 April 2018;
- (C) 06 July 2018; and
- (D) 02 October 2017

Reason for Issue:

The payment of interest due on convertible note facility.

Use of Funds:

No funds were raised from the issue as the Shares were issued in satisfaction of a payment obligation by the Company in relation to convertible note facility.

Terms of Securities:

All Shares were issued as fully paid ordinary shares ranking equally with existing Shares. Quotation on the ASX was sought and obtained.

Subscriber:

The Shares were issued to Jefferies LLC, being the convertible note holder, who is not a related party of the Company.

Recommendation of Board

The Board believes that the ratification of these issues is beneficial for the Company.

The Board unanimously recommends Shareholders vote in favour of Resolutions 4 and 4(a), as it allows the Company to ratify the above issues of Shares and retain the flexibility to issue the maximum number of equity securities permitted under Listing Rule 7.1 without shareholder approval.

Furthermore, the Company was able to preserve its cash reserves because of being able to offer Shares in payment of quarterly interest commitments

Resolutions 5 and 5(a) - Ratification and approval of prior issue of 100,000,000 Shares to Pershing Australia Nominees Pty Ltd

In October and November 2017 as well as in January 2018, Poseidon placed 100,000,000 Shares with institutional and professional investors of Pershing Australia Nominees Pty Ltd, who acting as an intermediary then select from their network of unrelated investors to issue the Shares to.

This capital raising process provided the Company with access to funds at short notice.

Resolution 5 – ASX Listing Rule 7.1

60,000,000 Shares were issued by Poseidon utilising the Company's 15% annual placement capacity under Listing Rule 7.1 to Pershing Australia Nominees Pty Ltd, being part of the Company's capital raising process.

A summary of ASX Listing Rules 7.1 and 7.4 is set out in Section 1.2.

Resolution 5(a) – ASX Listing Rule 7.1A

As at 22 August 2017, Poseidon had exhausted its 15% annual placement capacity, this placement capacity was subject to being replenished at the November 2017 Annual General Meeting and the Board did not want capital raising opportunities to be forgone and therefore resolved to utilise the 10% placement capacity to issue a further 40,000,000 Shares to Pershing Australia Nominees Pty Ltd

A summary of ASX Listing Rules 7.1A and 7.4 is set out in Section 1.3.

The Company now seeks ratification by Shareholders of the grant of 100,000,000 Shares to Pershing Australia Nominees Pty Ltd.

Information required by ASX Listing Rule 7.4

In compliance with the information requirements of ASX Listing Rule 7.5, Shareholders are advised of the following on the issue.

No. of Securities Issued:

- (A) 20,000,000 Shares;
- (B) 20,000,000 Shares;
- (C) 20,000,000 Shares;
- (D) 20,000,000 Shares; and
- (E) 20,000,000 Shares

Issue Price:

- (A) \$0.0520 being the five (5) day VWAP up to and including 13 November 2017;
- (B) \$0.0440 being the five (5) day VWAP up to and including 29 November 2017;
- (C) \$0.0472 being the five (5) day VWAP up to and including 31 December 2017
- (D) \$0.0250 being the five (5) day VWAP up to and including 05 October 2017; and
- (E) \$0.0310 being the five (5) day VWAP up to and including 30 October 2017

Issue Date:

- (A) 14 November 2017;
- (B) 30 November 2017;
- (C) 02 January 2018;
- (D) 06 October 2017; and
- (E) 31 October 2017

Reason for Issue:

Placement to raise short-term funds for immediate use.

Use of Funds:

Funds totalling approximately \$3,984,000 were deployed for working capital purposes, progressing gold and lithium exploration programs and care and maintenance programs.

Terms of Securities:

All shares were issued as fully paid ordinary shares ranking equally with existing shares. Quotation on the ASX was sought and obtained.

Subscriber:

The Shares were issued to Pershing Australia Nominees Pty Ltd, who is not a related party of the Company.

Recommendation of Board

The Board believes that the ratification of these issues is beneficial for the Company.

The Board unanimously recommends Shareholders vote in favour of Resolutions 5 and 5(a), as it allows the Company to retain the flexibility to be proactive when investment opportunities arise and be able to act efficiently and effectively by issuing the maximum number of equity securities permitted under Listing Rules 7.1 and 7.1A without shareholder approval and take advantage of available funds.

Resolution 6 - Ratification and approval of prior issue of 116,777,000 Shares issued under a Placement

On the 24 August 2018, the Company announced a placement (Share Placement) to raise approximately \$5.8 million. The Share Placement was made to sophisticated and professional investors with assistance from Petra Capital who acted as Lead Manager.

A total of 116,777,000 Placement Shares were issued under the Placement by fully utilising the remaining balance of securities available under the Company's 15% and 10% annual placement capacities.

Resolution 6 – ASX Listing Rule 7.1

68,325,700 Shares were issued by Poseidon utilising the Company's 15% annual placement capacity under Listing Rule 7.1 to professional and sophisticated investors as part of the Share Placement capital raising strategy.

A summary of ASX Listing Rules 7.1 and 7.4 is set out in Section 1.2.

Resolution 6(a) – ASX Listing Rule 7.1A

The remaining 48,451,300 placement Shares were issued by Poseidon utilising the Company's 10% annual placement capacity under Listing Rule 7.1A.

A summary of ASX Listing Rules 7.1A and 7.4 is set out in Section 1.3.

The Company now seeks ratification by Shareholders of the grant of 116,777,000 Shares to professional and sophisticated investors in the Placement.

Information required by ASX Listing Rule 7.4

In compliance with the information requirements of ASX Listing Rule 7.5, Shareholders are advised of the following on the issue.

No. of Securities Issued:

- (a) 116,777,000 Shares were issued on the following basis:
 - (i) 68,325,700 Shares were issued pursuant to ASX Listing Rule 7.1; and
 - (ii) 48,451,300 Shares were issued pursuant to ASX Listing Rule 7.1A

Issue Price:

The issue price was \$0.05 per Share under both issues of Shares pursuant to ASX Listing Rules 7.1 and 7.1A.

Issue Date:

The Shares were issued on 28 August 2018.

Reason for Issue:

Placement to raise medium-term funds for planned work programs.

Terms of Securities:

All shares were issued as fully paid ordinary shares ranking equally with existing shares. Quotation on the ASX was sought and obtained.

Subscribers:

The Shares were issued to Forrest Family Investments Pty Ltd, Black Mountain Metals Pty Ltd and Mulloway Pty Ltd, none of who are related parties of the Company.

Use of funds

The funds raised from the Share Placement will be deployed towards the restart of the Silver and Black Swan mines, processing plant at Black Swan and corporate purposes.

Recommendation of Board

The Board believes that the ratification of these issues is beneficial for the Company.

The Board unanimously recommends Shareholders vote in favour of Resolutions 6 and 6(a), as it allows the Company to ratify the above issues of Shares and retain the flexibility to issue the maximum number of equity securities permitted under Listing Rule 7.1 without shareholder approval.

Contingent Resolution 7 – Spill Resolution

This resolution is a conditional resolution.

Resolution 7 is conditional on at least 25% of the votes cast on Resolution 1 (2018 Directors' Remuneration Report) being cast against the adoption of the Directors' Remuneration Report – if the Company receives a "second strike".

Resolution 7 (**Spill Resolution**) is required to be included in this Notice of Meeting because at least 25% of the votes cast on the adoption of the 2017 Directors' Remuneration Report contained in the Company's 2017 Annual Report were against the adoption of the report - at the 2017 Annual General Meeting, the Company received a "first strike".

In 2011, the Corporations Act was amended to introduce a two-strike rule. Where the Remuneration Report receives more than 25% of eligible votes cast against the Non-Binding Resolution at two (2) consecutive meetings, a further resolution must be put to the Annual General Meeting to spill the current Board (**Spill Resolution**) at a further General Meeting, to be held within 90 days (**Spill Meeting**).

If the votes against the 2018 Directors' Remuneration Report represent less than 25% of the eligible votes cast, then there will be no second strike and Resolution 7 will not be put to the 2018 Annual General Meeting.

If required, the Spill Resolution will be considered as an ordinary resolution. If a second strike is received and the Spill Resolution is passed, a Spill Meeting must be held within 90 days of the passing of the Spill Resolution.

If a Spill Meeting is held, the Directors (other than Robert Dennis as Managing Director and CEO) who will cease to hold office immediately before the end of the Spill Meeting (unless they resign before the Spill Meeting), pursuant to section 250V91)(b)(i) of the Corporations Act, will be:

- Geoff Brayshaw; (if elected per Resolution 2)
- Karl Paganin; and (if elected per Resolution 3)
- Felicity Gooding (if elected per Resolution 3(a))

Even if Messrs Brayshaw, Paganin and Gooding are elected at this year's Annual General Meeting, they will still need to be elected at the Spill Meeting to remain in office after the Spill Meeting.

Each of these Directors is eligible to stand for re-election at the Spill Meeting and intend to seek re-election.

Shareholders should be aware however that the convening of a separate Spill Meeting will result in the Company incurring material additional expense in conducting a meeting as well as disruption and distraction to the focus of core business operations, therefore the Chairman intends to vote all undirected

proxies **against** Resolution 3

Recommendation of Board

Each of the Directors has a personal interest in the Spill Resolution and the Board considers that a Spill Meeting would be extremely disruptive to the Company.

The Board also notes that Shareholders can remove a Director by a majority Shareholder vote at any general meeting and for any reason.

Resolution 8- Approval of 10% Placement Capacity

General

The Company is seeking Shareholder approval to issue an additional 10% of its issued capital over a 12-month period pursuant to Listing Rule 7.1A.

Pursuant to Listing Rule 7.1A, small and mid-cap listed entities that meet the eligibility threshold and have obtained the approval of their ordinary shareholders by special resolution at the annual general meeting, are permitted to issue an additional 10% of issued capital over a 12-month period from the date of the annual general meeting (**Additional 10% Placement**). The Additional 10% Placement under Listing Rule 7.1A is in addition to the ability of the Company to issue 15% of its issued capital without shareholder approval over a 12-month period pursuant to Listing Rule 7.1. The Company may issue the Equity Securities to raise funds for the Company and as non-cash consideration (further details of which are set out below).

Listing Rule 7.1A

Eligibility

An entity is eligible to undertake an Additional 10% Placement if at the time of its annual general meeting it has a market capitalisation of \$300 million or less and it is not included in the S&P/ASX300 Index.

For illustrative purposes only, on 03 October 2018, the Company's market capitalisation was approximately \$155.9 million based on the last trading price on that date. The calculation of market capitalisation will be based on the last trading price of the shares, on the last trading day on which trades in the shares were recorded before the date of the Annual General Meeting, multiplied by the number of Shares on issue (excluding restricted securities and securities quoted on a deferred settlement basis).

The Company is also not included in the S&P/ASX300 Index as at the time of preparing this Notice of Meeting, however, it should be noted that the S&P/ASX300 Index is rebalanced twice a year in March and September.

The Company is therefore an Eligible Entity and able to undertake an Additional 10% Placement under Listing Rule 7.1A.

If the Company for any reason ceases to be an Eligible Entity after the Company has already obtained Shareholder approval pursuant to this Resolution, the approval obtained will not lapse and the Company will still be entitled to issue the Equity Securities during the 12-month period following this Annual General Meeting (**AGM**).

Special Resolution

Listing Rule 7.1A requires this Resolution to be passed as a Special Resolution, which means that it must be passed by at least 75% of the votes cast by members entitled to vote on the Resolution.

Pursuant to Listing Rule 7.1A, no Equity Securities will be issued until and unless this Special Resolution is passed at the Annual General Meeting.

Shareholder Approval

The ability to issue the Equity Securities is conditional upon the Company obtaining Shareholder approval by way of a Special Resolution at the AGM.

Listing Rules 7.1 and 7.1A

The ability of an entity to issue Equity Securities under Listing Rule 7.1A is in addition to the entity's 15% capacity under Listing Rule 7.1.

At the date of this Notice of Meeting, the Company has on issue 2,642,701,831 Shares. The Company will have the capacity to issue the **below** Equity Securities immediately following the Meeting:

- 396,405,275 Equity Securities under its 15% Placement Capacity (Listing Rule 7.1); and
- Subject to Shareholder approval being obtained under this Resolution, a further 264,270,183 Equity Securities under its 10% Additional Capacity (Listing Rule 7.1A).

The actual number of Equity Securities that the Company will have the capacity to issue under Listing Rule 7.1A will be calculated at the date of issue of the Equity Securities in accordance with the formula prescribed in Listing Rule 7.1A.2 (as described following).

Formula for calculating the 10% Placement Capacity under Listing Rule 7.1A.2

Listing Rule 7.1A.2 provides that eligible entities which have obtained shareholder approval at an AGM may issue or agree to issue, during the 10% Placement Period, a number of Equity Securities calculated in accordance with the following formula:

(A x D) – E

A is the number of fully paid shares on issue 12 months before the date of issue or agreement:

- plus, the number of fully paid shares issued in the 12 months under an exception in Listing Rule 7.2;
- plus, the number of partly paid shares that became fully paid in the 12 months;
- plus, the number of fully paid shares issued in the 12 months with approval of holders of shares under Listing Rule 7.1 and 7.4 (which does not include the 10% Placement Capacity);
- less the number of fully paid shares cancelled in the 12 months.

Note that A has the same meaning in Listing Rule 7.1 when calculating an entity's 15% Placement Capacity.

D is 10%;

E is the number of Equity Securities issued or agreed to be issued under Listing Rule 7.1A.2 in the 12 months before the date of the issue or agreement to issue that are not issued with the approval of shareholders under Listing Rule 7.1 or 7.4.

Specific information required by Listing Rule 7.3A.

Minimum price of securities issued under Listing Rule 7.1A-Listing Rule 7.3A.1

Pursuant to and in accordance with Listing Rule 7.1A.3, the Equity Securities issued pursuant to approval under Listing Rule 7.1A must have an issue price of not less than 75% of the VWAP for the Equity Securities over the 15 trading days immediately before:

- (1) the date on which the price at which the Equity Securities are to be issued is agreed; or
- (2) if the Equity Securities are not issued within five (5) trading days of the date in paragraph (1) above, the date on which the Equity Securities are issued.

The Company will disclose to the ASX the issue price on the date of issue of the Equity Securities

Risk of economic and voting dilution - Listing Rule 7.3A.2

As provided by Listing Rule 7.3A.2, if Resolution 7 is passed and the Company issues the Equity Securities, there is a risk of economic and voting dilution to the existing Shareholders. The Company currently has on issue 985,071,644 Shares and could issue 98,507,164 Shares immediately following the AGM (however, it is important to note that the exact number of Equity Securities which may be issued will be calculated in accordance with the formula contained in Listing Rule 7.1A.2, details of which are set out above). Any issue of Equity Securities will have a dilutive effect on existing Shareholders.

Shareholders should note that there is a risk that:

- the market price for the Company's Equity Securities may be significantly lower on the issue date than it is on the date of the Annual General Meeting; and
- the Company's Equity Securities may be issued at a price that is at a discount to the market price for those Equity Securities on the date of issue

which may influence the amount of funds raised by the issue of Equity Securities under the Additional 10% Placement Capacity.

As required by Listing Rule 7.3A.2, the table below shows the dilution effect for existing Shareholders upon the issue of the maximum number of Equity Securities under the Additional 10% Placement Capacity, using different variables such as:

- the issued share capital has increased by both 50% and 100%; and
- the market price of the Shares as at the close of trade on 03 October 2018 has halved and then doubled.

Shares on Issue	Dilution Table			
		\$0.0295 50% decrease in Issue Price	\$0.059 Current Share Price	\$0.118 100% increase in Issue Price
<i>Variable A in Listing Rule 7.1A.2</i>				
Current Issued Shares 2,642,701,831	10% Voting Dilution	264,270,183 Shares	264,270,183 Shares	264,270,183 Shares
	Funds raised	\$7,795,970	\$15,591,941	\$31,183,882
50% increase in Issued Shares 3,964,052,746 Shares	10% Voting Dilution	396,405,275 Shares	396,405,275 Shares	396,405,275 Shares
	Funds raised	\$11,693,956	\$23,387,911	\$46,775,822
100% increase in Issued Shares 5,285,403,662 Shares*	10% Voting Dilution	528,540,366 Shares	528,540,366 Shares	528,540,366 Shares
	Funds raised	\$15,591,941	\$31,183,882	\$62,367,7630

The following assumptions were made when preparing the dilution table:

1. There are currently **2,642,701,831** Shares on issue as at the date of this Notice of Meeting;
2. The issue of Equity Securities under the 10% Placement Capacity consists only of Shares;
3. The Company issues the maximum number of Equity Securities available under the 10% Placement Capacity;
4. No Options are exercised into Shares before the date of the issue of the Equity Securities;
5. The 10% voting dilution reflects the aggregate percentage dilution against the issued share capital at the time of issue. Therefore, the voting dilution is shown in each example as 10%;
6. The table does not show the dilution affect that may be caused to a Shareholder;
7. The table only shows the effect of issues of Equity Securities under Listing Rule 7.1A not under the 15% Placement Capacity under Listing Rule 7.1; and
8. The issue price of \$0.059 is the closing price of the Shares on the ASX as at 03 October 2018

Final Date for Issue - Listing Rule 7.3A.3

As required by Listing Rule 7.3A.3, the Company will only issue the Equity Securities during the 12 months after the date of the 2018 Annual General Meeting which the Company anticipates will end on 22 November 2019.

The approval under this Resolution for the issue of the Equity Securities will cease to be valid if Shareholders approve a transaction under Listing Rule 11.1.2 (a significant change to the nature or scale of activities of the Company) or Listing Rule 11.2 (the disposal of the main undertaking of the Company) before the anniversary of the Annual General Meeting.

Purpose - Listing Rule 7.3A.4

As noted above, the purpose for which the Equity Securities may be issued include to raise funds for the Company and as non-cash consideration (further details of which are set out below).

Funds raised from the issue of Equity Securities, if undertaken, would be applied towards:

1. Restart of the Silver and Black Swan mines and processing plant at Black Swan;
2. Exploration and development activities on existing Lake Johnson Nickel projects as well as any new mineral projects acquired by the Company during the period ahead
3. Care and maintenance programs and progressing lithium exploration programs;
4. Continued exploration on its current Mt Windarra Nickel Project near Kalgoorlie WA; with activities which could include:
 - (a) Water extraction system techniques
 - (b) Mine refurbishment;
 - (c) Continued exploration including further underground drilling
5. Care and maintenance programs;
6. Repayment of debt;
7. Potential acquisition of new assets and investments by either or both of the following:
8. For ongoing future working capital purposes

Shares Issued for Non-Cash Consideration - Listing Rule 7.3A.4

The Company may issue Equity Securities for non-cash consideration, such as the acquisition of new assets or investments. If the Company issues Equity Securities for non-cash consideration, the Company will release to the market a valuation of the non-cash consideration that demonstrates that the issue price of the Equity Securities complies with Listing Rule 7.1A.3.

Company's Allocation Policy - Listing Rule 7.3A.5

The Company's allocation policy is dependent on the prevailing market conditions at the time of any proposed issue of the Equity Securities. The identity of the potential investors of Equity Securities will be determined on a case – by - case basis having regard to several factors including but not limited to the following:

- (1) the methods of raising funds that are available to the Company including, but not limited to, rights issue; or
- (2) other issue in which existing shareholders can participate;
- (3) the effect of the issue of the Equity Securities on the control of the Company;
- (4) the financial situation and solvency of the Company; and
- (5) Advice from corporate, financial and broking advisers (if applicable).

The potential investors of the Equity Securities have not been determined as at the date of this Notice but may include existing substantial Shareholders and new Shareholders who are not related parties or associates of a related party of the Company.

Furthermore, if the Company is successful in acquiring new assets or investments for which Equity Securities are issued as consideration, it is likely that the potential investors of some of the Equity Securities will be the vendors of the new assets or investments.

Equity Issues over Last 12 Months – Listing Rule 7.3A.6A

Pursuant to the requirements of Listing Rule 7.3A.6(b), all the cash and non-cash equity issues made by the Company since the date of the 2017 AGM held on 09 November 2017 are detailed in Annexure A.

For the purpose of Listing Rule 7.3A.6(a), 1,672,349,922 Equity Securities were issued in the 12-month period preceding the 2018 Meeting representing 169.68% of the Equity Securities on issue at the start of the 12 Month Period.

Equity Securities on issue at commencement of 12-month period	985,592,595
Equity Securities issued in last 12-month period under Listing Rule 7.1 and 7.1A comprised as follows: 1,657,630,187 Shares 14,719,735 Unlisted Performance Rights; and 1,672,349,922	1,672,349,922
Percentage Equity Securities issued represents of total number of Equity Securities on issue at commencement of 12-month period	169.68%

The Company previously obtained Shareholder approval under Listing Rule 7.1A at the 2017 Annual General Meeting and in accordance with Listing Rule 7.3A.6, the Company confirms that 98,506,353 Equity Securities were issued under the 10% Placement Capacity on 2, 6 and 31 October 2017 and 28 August 2018 as detailed in Resolutions 4(a) (5a) and 6(a) above.

At the date of the Notice, the Company has not approached any existing Shareholder or security holder or an identifiable class of existing security holder to participate in the issue of the Equity Securities utilising this 10% Placement Facility following the 2018 Annual General Meeting. No existing Shareholder's votes will therefore be excluded under the voting at the Meeting.

Voting Exclusion Statement

A voting exclusion statement is included for this Resolution in the Notice of Meeting accompanying the Explanatory Memorandum.

Recommendation of the Board

The Directors of the Company believe that Resolution 8 is in the best interests of the Company and unanimously recommend that Shareholders vote in favour of this Resolution.

The ability of the Company to issue Shares under the 10% Placement Capacity will enable the Company to issue Shares at a discount to the then market price in circumstances where it might otherwise be subjected to the cost, delay and uncertainty of having to go back to Shareholders for approval. The additional flexibility and speed to conduct capital raising will better position the Company to pursue its interests in the prevailing difficult market conditions.

ANNEXURE A – Details of Equity Securities issued in the 12 months prior to the date of the 2018 Annual General Meeting

Issue Date	Number	Type	Consideration	The persons to whom the Equity Securities were issued or the basis on which those persons were determined	Issue Price	Discount to market price (MP) at issue date	Cash received / Funds Raised	Use of Funds	Funds Spent
02 October 2017	10,055,053	Shares	Non-Cash \$252,382	Jefferies LLC	\$0.0251 Deemed	No	Nil	In satisfaction of the September 2017 quarter interest payment on Convertible Note.	Not Applicable
06 October 2017	20,000,000	Shares	Cash	Sophisticated investors of Pershing Nominees Australia Pty Ltd	\$0.0250	No	\$500,000	Funds used for working capital (\$250,000) and progressing lithium exploration activities (\$250,000)	\$500,000 Fully spent
31 October 2017	20,000,000	Shares	Cash	Sophisticated investors of Pershing Nominees Australia Pty Ltd	\$0.0310	No	\$620,000	Funds used for working capital (\$100,000) and progressing lithium exploration activities (\$520,000)	\$620,000 Fully spent
14 November 2017	20,000,000	Shares	Cash	Sophisticated investors of Pershing Nominees Australia Pty Ltd	\$0.520	No	\$1,040,000	Funds used for working capital (\$500,000) and progressing lithium exploration activities (\$540,000)	\$1,040,000 Fully spent
	2,774,571	Unlisted Performance Rights	Non-Cash \$74,359	Mr Chris Indermaur, Mr Geoff Brayshaw, Mr David Singleton and Mr Robert Dennis	\$0.0268 Deemed	No	Nil	In lieu of director fees for the September 2017 quarter	Nil
	2,168,235	Unlisted Performance Rights	Non-Cash \$57,799	Mr Chris Indermaur	VWAP -Jul, Aug, Sep 17	No	Nil	In lieu of fees for additional part time duties in the absence of CEO for September 2017 quarter	Nil
30 November 2017	20,000,000	Shares	Cash	Sophisticated investors of Pershing Nominees Australia Pty Ltd	\$0.0440	No	\$880,000	Funds used for working capital (\$380,000) and processing lithium exploration activities (\$500,000)	\$880,000 Fully spent
02 January 2018	5,424,841	Shares	Non-Cash \$256,052	Jefferies LLC	\$0.0472 Deemed	No	Nil	In satisfaction of the December 2017 quarter interest payment on Convertible Note.	Nil
02 January 2018	20,000,000	Shares	Cash	Sophisticated investors of Pershing Nominees Australia Pty Ltd	\$0.0472	No	\$944,000	Funds used for working capital (\$500,000) and processing lithium exploration activities (\$444,000)	\$944,000 Fully spent
	1,749,612	Unlisted Performance Rights	Non-Cash \$74,358	Mr Chris Indermaur, Mr Geoff Brayshaw, Mr David Singleton and Mr Robert Dennis	\$0.0425 Deemed	No	N/A	In lieu of director fees for the December 2017 quarter	Nil
	1,548,371	Unlisted Performance Rights	Non-Cash \$57,799	Mr Chris Indermaur	VWAP for Oct, Nov, Dec 17	No	N/A	In lieu of fees for additional part time duties in the absence of CEO for December 2017 quarter	Nil

Issue Date	Number	Type	Consideration	The persons to whom the Equity Securities were issued or the basis on which those persons were determined	Issue Price	Discount to market price (MP) at issue date	Cash received / Funds Raised	Use of Funds	Funds Spent
03 April 2018	6,821,682	Shares	Non-Cash \$252,402	Jefferies LLC	\$0.0370 Deemed	No	Nil	In satisfaction of the March 2018 quarter interest payment on Convertible Note.	Nil
06 July 2018	7,188,448	Shares	Non-Cash \$265,973	Jefferies LLC	\$0.0370 Deemed	No	Nil	In satisfaction of the June 2018 quarter interest payment on Convertible Note.	Nil
	1,620,010	Unlisted Performance Rights	Non-Cash \$74,358	Mr Chris Indermaur, Mr Geoff Brayshaw, Mr David Singleton and Mr Robert Dennis	\$0.0459 Deemed	No	Nil	In lieu of director fees for the March 2018 quarter	Nil
	1,303,694	Unlisted Performance Rights	Non-Cash \$56,542	Mr Chris Indermaur	VWAP for Jan, Feb, Mar 18	No	Nil	In lieu of fees for additional part time duties in the absence of CEO for March 2018 quarter	Nil
06 July 2018	2,009,690	Unlisted Performance Rights	Non-Cash \$74,359	Mr Chris Indermaur, Mr Geoff Brayshaw, Mr David Singleton and Mr Robert Dennis	\$0.037 Deemed	No	Nil	In lieu of director fees for the June 2018 quarter	Nil
	1,545,549	Unlisted Performance Rights	Non-Cash \$57,171	Mr Chris Indermaur	VWAP for Apr, May, Jun 18	No	Nil	In lieu of fees for additional part time duties in the absence of CEO for June 2018 quarter	Nil
27 August 2018	116,777,000	Shares	Cash	Forrest Family Investments Pty Ltd, Black Mountain Metals Pty Ltd and Mulloway Pty Ltd	\$0.05	No	\$5,838,850 Remains available	Placement funds will be deployed to restart early works at the Silver and Black Swan mines and processing plant at Black Swan.	Nil
27 August 2018	19,053,182	Shares	Non-Cash	Mr Chris Indermaur	Nil	No	Nil	Conversion of Unlisted Performance Rights to Shares	Nil
27 August 2018	3,706,041	Shares	Non-Cash	Mr David Singleton	Nil	No	Nil	Conversion of Unlisted Performance Rights to Shares	Nil
04 September 2018	4,216,012	Shares	Non-Cash	Mr Rob Dennis	Nil	No	Nil	Conversion of Unlisted Performance Rights to Shares	
19 September 2018	1,379,506,382	Shares	Cash	Shareholders	\$0.05	No	\$68,975,319 ¹	Entitlement Issue	4,237,807 ²
21 September 2018	4,881,546	Shares						Conversion of Unlisted Performance Rights to Shares	

1. Funds from the Entitlement Issue will be deployed to bring the Black and Silver Swan mines back into production within twelve (12) months. Any available funds will be used to commence initial Exploration in the prospective areas below the Black Swan Pit and at the Abi Rose prospect at Lake Johnston.
2. Funds spent to date comprise \$3,448,766 being underwriting fee and \$789,041 being corporate advisory fees.

GLOSSARY

\$ means Australian dollars

10% Placement Capacity has the meaning set out on page 18

Annual General Meeting or **Meeting** means the meeting convened by the Notice of Meeting.

ASIC means the Australian Securities and Investments Commission.

ASX means ASX Limited or the Australian Securities Exchange, as the context requires.

ASX Listing Rules means the Listing Rules of ASX.

AWT means Western Standard Time as observed in Perth, Western Australia.

Board means the current board of directors of the Company.

Business Days means Monday to Friday inclusive, except New Year's Day, Good Friday, Easter Monday, Christmas Day, Boxing Day, and any other day that ASX declares is not a business day.

Chair means the chairman of the Meeting

Closely Related Party of a member of the Key Management Personnel means:

- (a) a spouse or child of the member;
- (b) a child of the member's spouse;
- (c) a dependent of the member or the member's spouse;
- (d) anyone else who is one of the member's family and may be expected to influence the member, or be influenced by the member, in the member's dealing with the entity;
- (e) a company the member controls; or
- (f) a person prescribed by the *Corporations Regulations 2001 (Cth)*.

Company means Poseidon Nickel Limited (ABN 60 060 525 206).

Constitution means the Company's constitution.

Corporations Act means the Corporations Act 2001 (Cth).

Director means Non-Executive Directors

Eligible Entity has the meaning set out on page 18

Equity Securities has the same meaning as in the ASX Listing Rules but includes:

- (a) a share;
- (b) a unit;
- (c) a right to a share or unit or option;
- (d) an option over an issued or unissued security;

- (e) a convertible security;
- (f) any security that ASX decides to classify as an equity security
- (g) BUT not a debt security

Explanatory Memorandum means the Explanatory Memorandum accompanying the Notice of Meeting.

Key Management Personnel is defined by AASB 124 Related Party disclosures as all directors and those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any director (whether executive or otherwise) of the Company.

Notice of Meeting or **Notice of Annual General Meeting** means this notice of annual general meeting including the Explanatory Memorandum.

Ordinary Shares has the meaning set out in the ASX Rules

Proxy Form means the proxy form accompanying the Notice of Meeting

Remuneration Report means the remuneration report set out in the Director's report section of the Company's annual financial report for the year ended 30 June 2017.

Resolutions means the resolutions set out in the Notice of Meeting or any one of them, as the context requires.

Share means a fully paid ordinary share in the capital of the Company.

Shareholder means a holder of a Share.

VWAP means the volume weighted average price.

**APPOINTMENT OF PROXY
POSEIDON NICKEL LIMITED
ACN 060 525 206**

ANNUAL GENERAL MEETING PROXY FORM

Member Details

Name:

Address:

Contact Telephone No:

Appointment of Proxy

I/We being a Member/s of Poseidon Nickel Limited and entitled to attend and vote hereby appoint

	Chairman of the Meeting	OR	Insert Name of Appointed Proxy Below
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Or failing the person named, or if no person is named, the Chairman of the Meeting, as my/our proxy to attend and act generally at the Annual General Meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, as the proxy sees fit) at the Annual General Meeting of Poseidon Nickel Limited to be held at KPMG, Level 8, 235 St Georges Terrace, Perth, WA 6000 on Thursday, 22 November 2017 at 11.00am (AWST) and at any adjournment of that meeting.

In respect of undirected proxies for the Resolutions, the Chairman of the Meeting intends to vote in favour of all the Ordinary and Special Resolutions.

	For	Against	Abstain
Non-Binding Resolution			
Resolution 1. Adoption of Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Ordinary Resolutions			
Resolution 2 Re-Election of Director – Mr Geoff Brayshaw	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3. Election of Director – Mr Karl Paganin	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3(a) Election of Director – Ms Felicity Gooding	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4 Ratification and approval of prior issue of 19,434,971 Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4(a) Ratification and approval of prior issue of 10,055,053 Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 5 Ratification and approval of prior issue of 60,000,000 Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 5(a) Ratification and approval of prior issue of 40,000,000 Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 6 Ratification and approval of prior issue of 68,325,700 Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 6(a) Ratification and approval of prior issue of 48,451,300 Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Contingent Resolution			
Resolution 7 Spill Resolution	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Special Resolution			
Resolution 8 Approval of 10% Placement Capacity	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Please Note: By marking the Abstain box for any of the Resolutions you are directing the proxy not to vote on that Resolution on a show of hands or on a poll and your votes will not be counted in computing the required majority on a poll.

If two proxies are being appointed, the proportion of voting rights this proxy represents is _____%

PLEASE SIGN HERE
Individual or Member 1

Sole Director and
Sole Company Secretary

Member 2

Director

Member 3

Director/Company Secretary

POSEIDON NICKEL LIMITED
INSTRUCTIONS FOR COMPLETING 'APPOINTMENT OF PROXY' FORM

The Directors have determined pursuant to Regulation 7.11.37 of the *Corporations Regulations 2001* (Cth) that the persons eligible to vote at the Annual General Meeting are those who are registered Shareholders of the Company at 5.00pm (AWST) on Tuesday, 20 November 2018.

1. **Appointing a Proxy:** A member entitled to attend and vote at a General Meeting is entitled to appoint not more than two proxies to attend and vote on a poll on their behalf. The appointment of a second proxy must be done on a separate copy of the Proxy Form. Where more than one proxy is appointed, such proxy must be allocated a proportion of the member's voting rights. If a member appoints two proxies and the appointment does not specify this proportion, each proxy may exercise half the votes. A duly appointed proxy need not be a member of the Company.
2. **Direction to Vote:** A member may direct a proxy how to vote by marking one of the boxes opposite each item of business. Where a box is not marked the proxy may vote as they choose. Where more than one box is marked on an item the vote will be invalid on that item.

Unless authorised by ASIC, if a member of Key Management Personnel or their Closely Related Parties is appointed as a proxy, they are not permitted to vote undirected proxies on remuneration matters (arising directly or indirectly regarding remuneration of Key Management Personnel), related party benefit matters under Chapter 2E of the Corporations Act and any spill resolutions. However, the chair may vote a proxy that does not specify how it is to be voted, provided the member who has lodged the proxy has provided their consent in the proxy form for the chair to exercise the proxy in its discretion (save in relation to the remuneration report where a direction is required).

3. **New sections 250BB and 250BC of the Corporations Act:** These sections came into effect on 1 August 2011 and apply to voting by proxy on or after that date. Shareholders and their proxies should be aware of these changes to the Corporations Act, as they will apply to this Annual General Meeting. Broadly, the changes mean that:
 - if proxy holders vote, they must cast all directed proxies as directed; and
 - any directed proxies which are not voted will automatically default to the Chair, who must vote the proxies as directed.

Further details on these changes are set out below.

Proxy vote if appointment specifies way to vote Section 250BB (1) of the Corporations Act provides that an appointment of a proxy may specify the way the proxy is to vote on a resolution and, if it does:

- the proxy need not vote on a show of hands, but if the proxy does so, the proxy must vote that way (i.e. as directed); and
- if the proxy has 2 or more appointments that specify different ways to vote on the resolution – the proxy must not vote on a show of hands; and
- if the proxy is the chair of the meeting at which the resolution is voted on – the proxy must vote on a poll, and must vote that way (i.e. as directed); and
- if the proxy is not the chair – the proxy need not vote on the poll, but if the proxy does so, the proxy must vote that way (i.e. as directed).

POSEIDON NICKEL LIMITED
INSTRUCTIONS FOR COMPLETING 'APPOINTMENT OF PROXY' FORM

Transfer of non-chair proxy to chair in certain circumstances Section 250BC of the Corporations Act provides that, if:

- an appointment of a proxy specifies the way the proxy is to vote on a resolution at a meeting of the Company's members; and
- the appointed proxy is not the chair of the meeting; and
- at the meeting, a poll is duly demanded on the resolution; and
- either of the following applies:
 - (i) the proxy is not recorded as attending the meeting;
 - (ii) the proxy does not vote on the resolution,

the chair of the meeting is taken, before voting on the resolution closes, to have been appointed as the proxy for the purposes of voting on the resolution at the meeting.

4. **Signing Instructions:**

- **(Individual):** Where the holding is in one name, the member must sign.
- **(Joint Holding):** Where the holding is in more than one name, all the members should sign.
- **(Power of Attorney):** If you have not already provided the Power of Attorney with the registry, please attach a certified photocopy of the Power of Attorney to this form when you return it.
- **(Companies):** Where the company has a sole director, who is also the sole company secretary, that person must sign. Where the company (pursuant to Section 204A of the Corporations Act) does not have a company secretary, a sole director can also sign alone. Otherwise, a director jointly with either another director or a company secretary must sign. Please sign in the appropriate place to indicate the office held.

5. **Attending the Meeting:** Completion of a Proxy Form will not prevent individual members from attending the General Meeting in person if they wish. Where a member completes and lodges a valid Proxy Form and attends the General Meeting in person, then the proxy's authority to speak and vote for that member is suspended while the member is present at the Annual General Meeting.

6. **Return of Proxy Form:** To vote by proxy, please complete and sign the enclosed Proxy Form and return by:

Online At www.investorvote.com.au

By mail Share Registry – Computershare Investor Services Pty Limited, GPO Box 242, Melbourne Victoria 3001

By fax 1800 783 447 (within Australia)
+61 3 9473 2555 (outside Australia)

By mobile Scan the QR Code on your proxy form and follow the prompts

Custodian voting for Intermediary Online subscribers only (custodians) please visit www.intermediaryonline.com to submit your voting intentions

so that it is received not later than 11.00am (AWST) on Tuesday, 20 November 2018.

Proxy Forms received later than this time will be invalid.